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6. In approximately the fall of 2017 or early 2018, I learned about Telegram Group, Inc.'s ("Telegram") Initial Coin Offering ("ICO") from an article I read as well as from a colleague at another venture capital firm, [REDACTED], who was considering investing in the

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ICO. I began researching Telegram on the internet and talking to colleagues at other venture capital firms and companies who had evaluated Telegram versus other secure messaging services.

7. I became interested in investing in the Telegram ICO because I did not think it was possible to invest into Telegram, the company, directly. Telegram is one of the world largest social networks, and given its scale, I thought it would be an interesting place in which to invest personally as well as for [REDACTED] to invest. I use Telegram's messenger application, and from using it, I know it is gaining popularity because its user base appears to be growing.

8. On or about January 28, 2018, I was introduced to and emailed John Hyman from Telegram directly for more information on the offering and to see if Telegram would entertain an individual investment from me personally. He said that they would for at least \$1 million and agreed to send me some offering materials. The next day I learned that some of my colleagues at [REDACTED] were also interested in the Telegram ICO and I thought it would be a good investment for [REDACTED]. That day, I reached out to Mr. Hyman about an allocation for [REDACTED] as well, and Mr. Hyman said that [REDACTED] could get an allocation of \$10 million.

9. On January 29, 2018, Mr. Hyman emailed to me a Technical White Paper dated January 18, 2018, entitled "Telegram Open Network and a Telegram Pre-Sale Primer, dated January 18, 2018. I reviewed these documents as part of my due diligence for my own personal investment in the Telegram ICO and [REDACTED] investment.

10. On or about that same day, I had a telephone call with representatives of Telegram – either Shyam Parekh and/or Mr. Hyman. Telegram pointed me to what was written in the White Paper and Primer, but could not answer my specific technical questions about how the token release was going to be implemented.

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11. Ultimately, based on the limited due diligence we were able to do in a short amount of time, [REDACTED] and I decided to invest in the Telegram ICO, for the reasons discussed below.

12. On or about January 30, 2018, I sent Mr. Hyman an email stating that both [REDACTED] [REDACTED] would like to invest \$10 million and \$1 million, respectively, in the Telegram ICO.

13. On or about February 7, 2018, several [REDACTED] entities – [REDACTED] [REDACTED] [REDACTED] – each signed a “Purchase Agreement for Grams” (the “Purchase Agreement”) with Ton Issuer Inc., under which these entities collectively agreed to pay \$10 million for 26,485,785.7 Grams. [REDACTED] emailed to Telegram these Purchase Agreements.

14. On or about February 8, 2018, [REDACTED] wired \$10 million to Telegram from their bank account located in [REDACTED]

15. On or about February 7, 2018, [REDACTED] [REDACTED] signed a “Purchase Agreement for Grams” (the “Purchase Agreement”) with Ton Issuer Inc., under which [REDACTED] agreed to pay \$1 million for 2,648,578.6 Grams. [REDACTED] emailed to Telegram this Purchase Agreement.

16. On or around February 8, 2018, [REDACTED] caused to be wired \$1 million to Telegram from [REDACTED] bank account located in [REDACTED]

17. Attached as **Exhibit A** to this Declaration is [REDACTED] investment thesis memorandum on the Telegram ICO (“Investment Thesis Memo”), which I reviewed before we decided to make the investment and execute the Purchase Agreements.

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18. [REDACTED] [REDACTED] both invested in the Telegram ICO for the purchase of Grams because we hoped to profit from the investment by selling Grams in secondary markets at an opportune time. We believed that Grams would be able to be sold in the secondary markets at some point after the lockup period was over. I believe that Mr. Parekh and/or Mr. Hyman told me that they were having preliminary discussions with exchanges to list Grams.

19. As is described in [REDACTED] Investment Thesis Memo, [REDACTED] and I believed that Grams would ultimately trade for a higher price than our purchase price for several reasons. First, the Telegram Messenger application was up and working. Our belief was that with 180 million users, Telegram and its applications and uses would grow in popularity, and with increased use and demand the price of Grams would rise over time. Second, Telegram's founders, Pavel and Nikolai Durov, had a strong reputation among the crypto community as being some of the smarter people in the crypto world. This gave us comfort that Telegram would be able to do the work needed to develop and launch the Ton Network. Third, several established venture capital firms spent some time evaluating the Telegram ICO and had decided to invest, which gave us comfort. Fourth, a portion of Grams was going to be retained by Telegram to support the trading value for the Grams, as well as by the founders personally. This meant that Telegram was incentivized to deliver a successful working product and our interests were tied to the founders' interests. Finally, we believed at the time we invested that Telegram planned future offerings of Grams at a higher price and we felt it would be a popular ICO overall.

20. Based on the Telegram offering documents I reviewed and discussions and email correspondence I had with Mr. Parekh and/or Mr. Hyman from Telegram, I expected Telegram to continue to drive demand and increase the value for Grams after launch through further development and involvement in the TON blockchain and ecosystem by developing applications,

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products, and refinements. I also thought the Telegram Messenger application would continue to drive demand for Grams.

21. Neither [REDACTED] nor I intend to use the Grams as a currency for consumptive purposes. Rather, we intend to trade Grams for a profit at an appropriate time.

22. Neither [REDACTED] nor I intend to act as validators for the TON Network.

23. No one from Telegram asked me what [REDACTED] or I planned to do with the Grams after they were issued, though we knew we were expected to abide by the terms of the lockup.

24. No one from Telegram asked me whether [REDACTED] or I planned to act as validators for the TON Network.

25. I heard rumors that interests in Purchase Agreements were being sold on secondary markets, but neither [REDACTED] nor I have sold any of our interests in Grams and any such sale would violate the terms of our Purchase Agreements.

26. On or about October 16, 2019, I received an email from Mr. Parekh of Telegram asking whether we would agree to extend the deadline date for launching the TON Network to April 30, 2020, in light of the SEC's lawsuit in this action. [REDACTED] and I agreed to this extension because if we did not, and Telegram was not able to launch the TON Network within the time period specified in the Purchase Agreement, we would only get back a fraction of our original investment. If, however, with more time Telegram is able to get back on track and launch Grams on the TON Network, we hope we will ultimately profit from our investment.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on: January 10, 2020

[REDACTED]